



GOVERNOR GREGOIRE'S ACCOMPLISHMENTS

2005 Legislative Session

"We can leave our legacy to future generations only if we are willing to change . . . to go beyond partisan labels, and to solve the problems facing Washingtonians."

Priorities for the 2005 Legislative Session

- 1 Invest in education.**
Provide permanent funding for class size reduction Initiative 728, and increase college enrollment.
- 2 Make sure kids have health care.** Expand health coverage to 40,330 more children in low-income families.
- 3 Strengthen the economy.** Address major transportation problems, create new jobs, make Washington State the leader in life science research, and avoid general tax increases.

Legislative Action

Creates an Education Legacy Trust Fund, financed by partial restoration of the state estate tax and a 60-percent increase in the state cigarette tax, to permanently fund I-728 – including \$138 million in the next biennium – and provide \$150 million to increase enrollment in the state higher education system by 7,900 full-time students. Teacher pay Initiative 732 also is reinstated, providing cost-of-living increases for public-school staff at a cost of \$139 million to the General Fund.

Expands health coverage to 40,330 more children by eliminating premiums that were to be required of many families with children receiving Medicaid medical services, changing the Medicaid eligibility review cycle from six to 12 months, and restarting the Children's Health Program for children of migrant farm workers. Spending for children's health care rises by \$54.4 million. The \$4.3 billion social services safety net for the state's most vulnerable children and adults remains intact.

Avoids a general tax increase, balancing the \$26 billion General Fund budget for the next biennium through \$850 million in cuts, savings and fund shifts, and \$385 million in new taxes derived from partial restoration of the estate tax on assets worth more than \$1.5 million the first year of the biennium and \$2 million thereafter; and new taxes on cigarettes, hard liquor and extended warranties.

Strengthens the backbone of Washington's economy, providing critical transportation projects to address safety problems and congestion on the state's highways and bridges with \$8.5 billion in new transportation revenue over 16 years.

Establishes a \$3.3 billion Capital Budget for financing construction of needed state facilities, particularly at public schools, state colleges and universities, which will support over the next two years an average of 24,400 jobs both directly and indirectly related to the construction projects.

Establishes the Life Sciences Discovery Fund, which uses \$350 million in bonus tobacco settlement proceeds as seed money to attract public and private contributions, raising \$1 billion over 10 years to support cutting-edge health and crop-yield research in Washington.

The Governor's Priorities

1. Provide focused, individualized learning
2. Provide better pay for teachers
3. Expand opportunities to meet new graduation requirements

Legislative Action

Restores I-728, suspended by the Legislature the past two years. Per student funding for class-size reduction rises from current \$254 to \$450 by the 2008 school year. *\$138 million GF-State*

Gives individual attention to high school kids who need it. For the first time, the Learning Assistance Program focuses on students who need help to meet new academic standards, especially in math. In 2008, students must pass the Washington Assessment of Student Learning (WASL) to graduate. *\$25.1 million GF-State*

Improves Special Education. Increases per-pupil funding for students with special needs, and increases funding for districts that tap into the Special Education funding safety net. *\$29 million GF-State*

Launches a comprehensive examination of the state education system – from preschool through the state higher education system. The Governor will lead a commission composed of business, community and education leaders, and legislators, to develop recommendations for education in areas such as finance, governance and program delivery. *\$1.7 million GF-State*

Increases pre-school access for more young learners. New funding for the Early Childhood Education and Assistance Program gives more children access to early learning. The investment also increases pay for vendors of early childhood education services. *\$7.2 million GF-State*

Improves graduation standards. High school students who take the WASL receive alternative opportunities to demonstrate their knowledge, opportunities to retake tests, an appeals process and timely 10th grade WASL results. *\$3.2 million GF-State*

Increases compensation for school teachers and staff. Cost-of-living salary adjustments (COLAs) for teachers and other public school staff are provided statewide, consistent with Initiative 732, which was suspended by the Legislature the past two years. Annual COLAs are tied to the Seattle Consumer Price Index. *\$139 million GF-State*

The Governor's Priorities

1. Expand access to state colleges and universities, and improve quality
2. Create more four-year universities
3. Provide students with more financial aid

Legislative Action

Expands higher education enrollment, providing 7,900 new enrollment slots at state colleges and universities, bringing the number of full-time, state-subsidized enrollments to more than 224,000. The new enrollments will enable the state to keep up with the projected demand for access to the state's higher education system in the next biennium. *\$74.1 million Education Legacy Trust Account*

Authorizes tuition increases of 7 percent at research universities, 6 percent a year at regional universities and The Evergreen State College, and 5 percent a year at community and technical colleges. Tuition increases maintain affordable access for Washington citizens and provide the institutions with revenue needed to attract and retain high-quality faculty and staff, reduce class sizes and expand research and scholarly opportunities for students. *As much as \$70 million in new revenue*

Establishes four-year programs at branch campuses. For the first time, education opportunities are expanded at the University of Washington branch campus at Tacoma and Bothell, and at the Washington State University branch campus at Vancouver by extending admission to freshmen and sophomores. *\$3.4 million GF-State, Education Legacy Trust Account*

Expands financial aid. Funding for the state's largest financial aid program, the State Need Grant, is increased to accommodate higher enrollments, expected tuition increases, and to pay for the expansion of grant eligibility from 55 percent of the state's median family income (about \$37,000 a year) to 65 percent (about \$43,300 a year). Gives thousands more low-income students a chance to go to college. *\$26.9 million GF-State*

Includes higher education in a comprehensive review of the state education system – from preschool through the state college and university system. The Governor will lead a new commission that will make recommendations for areas such as finance, governance and program delivery. *\$1.7 million GF-State*

The Governor's Priorities

1. Put children first
2. Maintain fundamental health services
3. Reduce the cost of prescription drugs

Legislative Action

Delays children's medical premiums. A scheduled requirement that would force parents of many children receiving Medicaid medical care is delayed for two years, ensuring that 4,000 more children will get health care. *\$8.9 million Health Services Account and GF-State*

Removes the hassle factor from children's medical eligibility. Families with children receiving Medicaid coverage re-qualify children once a year instead of every six months. This change increases the number of children on Medicaid by 26,000. *\$32.8 million Health Services Account*

Provides health coverage for immigrant children. The Children's Health Program for children of undocumented farm workers with incomes below 100 percent of poverty is restarted, providing health care for 10,329 children. *\$9.4 million GF-State*

Increases Medicaid reimbursement rates for hospitals by 1.3 percent each year of the biennium. Other medical providers receive a 1 percent increase each year. Largest increases go to hospitals now paid the least. *\$28 million GF-State*

Retains the Basic Health Plan for all 100,000 current enrollees, including 17,200 adults whose coverage was scheduled for elimination in the current budget. *\$48.8 million Health Services Account*

Increases investments in public health for surveillance and tuberculosis control. *\$265,000 GF-State*

Continues grants to community clinics, at Fiscal Year 2004 funding levels, preserving the health care safety net for uninsured and underinsured peoples who depend on these clinics for primary medical and dental care. *\$19.1 million Health Services Account*

Reduces prescription drug costs for uninsured and underinsured residents who can buy drugs through a state-sponsored consortium that reduces costs through joint drug purchases by state health-purchasing agencies using a statewide Preferred Drug List. *\$381,000 Health Services Account*

Requires parity for mental health services in insurance coverage. Health insurance companies must give patients the same level of coverage for mental health services that they provide for physical ailments.

The Governor's Priorities

1. Maintain critical services
2. Make targeted investments to improve outcomes
3. Find solutions for taking care of our elderly

Legislative Action

Funds the safety net. Funding is maintained for institutional and community care for children, the disabled, seniors and veterans. Also funded are support services for at-risk families, including emergency cash and food assistance, and investigations of child and adult abuse and neglect, interventions and foster care for children. *\$4.3 billion GF-State*

Improves the child welfare system. Investigations are initiated within 24 hours in more urgent cases, and no more than three days in less serious circumstances. Currently, it may take 10 days before an investigation gets started. In addition, social workers must visit children at least monthly while a case is open. *\$10.2 million GF-State*

Replaces money lost to federal funding cuts for community mental health services. State dollars replace the lost funding, so key community mental health services continue for people who don't qualify for Medicaid. This saves taxpayer dollars in the long run because people with mental health problems get help, instead of winding up in jails or hospitals. *\$80 million GF-State*

Treats more people for alcohol and drug abuse. Available drug and alcohol treatment services are doubled. Research indicates that treatment expansion will result in reduced costs in medical assistance, mental health and long-term care. *\$21.1 million GF-State*

Provides pay raises for social service caregivers. Funding is provided for inflationary increases to individuals and organizations that contract with the state to provide social services. A 1 percent raise is provided for each year of the biennium. The increase applies to a variety of services including foster care, nursing homes, and mental health treatment. *\$33 million GF-State*

Creates a long-term care task force. Funding is provided to support the work of an eight-member joint legislative and executive task force on long-term care. The task force will focus on financing options and on ways to better deliver chronic care management services so that the need for long-term care is reduced. *\$200,000 GF-State*

The Governor's Priorities

1. Grow Washington's economy through innovation
2. Invest in transportation, infrastructure and workforce development
3. Remove barriers to economic activity

Legislative Action

Strengthens Washington's economic linchpin. Provides new funding for transportation improvements to address critical safety and congestion problems on highways, bridges and rural roads. Improves the movement of freight to market. Provides significant funding for mass transportation.

\$8.5 billion in new revenue over 16 years

Nurtures a new economic revolution. The \$1 billion Life Sciences Discovery Fund is established to move Washington into leading-edge medical research, and improve the quality and yield of farm crops. Bonus money from the tobacco settlement – \$350 million – will be used as seed money to attract public and private contributions for research over 10 years to create new jobs and commerce in the next 10 to 15 years.

Creates jobs with a Capital Budget of \$3.3 billion, which supports an average of 24,400 jobs directly and indirectly related to state construction projects over the next two years. Projects include much-needed new facilities for higher education, public schools and projects to revitalize local communities.

Improves the Unemployment Insurance System. Taps into more than \$100 million in federal Reed Act funds and puts the money into the pockets of Washington businesses and consumers. Provides a modest benefit increase without raising employer taxes, and reduces taxes for some hard-hit industries. Restores unfairly reduced unemployment benefits to farm workers already hurt by the drought, and to construction employees, and other irregularly employed people.

Provides funding to help minimize the impacts of forecast drought conditions on people, fish, agriculture and businesses. *\$11 million*

Provides possible infrastructure improvements that may be necessary to ensure that federal military base closures do not include the nine major bases and 100 smaller facilities in Washington State. *\$5 million*

Invests in Washington's future workforce. Provides funding for education programs needed by workers who want to improve English language skills or obtain quick retraining if they lose a job in the changing economy. *\$4 million*

Invests in Promoting Farm Products. Provides new funding to boost growing techniques and harvests for hops. Launches a new branding campaign for Washington wines. Increases support to help small

farmers directly market their products through Farmers Markets. Boosts funding to address farm-product trade barriers and to promote farm products. *\$1 million GF-State, \$500,000 Capital*

Helps ground-breaking research become commercial products. Revisions to state law provide clear guidelines for researchers who want to see their research evolve into commercial products. This change can reward the state with increased market opportunities, more jobs and royalty revenue for state universities.

Funds construction of a Bioproducts Facility in the Tri-Cities – in partnership with Battelle Pacific Northwest National Laboratory – that would convert agriculture waste to a new cash crop of commercial products such as plastics, solvents and pharmaceuticals. *\$24.7 million state, private funding*

Provides access to \$100 million in capital for minority- and women-owned businesses, making it easier for these businesses to receive low-interest loans from banks through the Linked Deposit Program.

Expands apprenticeship programs, requiring that at least 15 percent of construction workers on state projects valued at \$1 million or more be apprentices from state-approved apprenticeship programs. Does not apply to projects involving higher education, Department of Transportation, or separately elected officials.

The Governor's Priorities

1. Hold people accountable for committing crimes
2. Solve crimes and mobilize communities
3. Take care of crime victims and rehabilitate those who need treatment

Legislative Action

Pays for an expanding prison population. An expected 6 percent increase in the prison population – from 17,000 at the end of 2004 to 18,000 over the next biennium – is funded. Costs include renting prison cells in other states, as well as supervising 26,000 offenders after their release from prison.

\$40.4 million GF-State

Constructs a phase-one medium security prison with 1,280 beds at Coyote Ridge Corrections Center in Franklin County to confine a rising number of inmates. *\$179 million Capital Budget*

Increases crime laboratory staffing. New crime lab operations in Vancouver and Spokane are funded, and staff is added to help police solve crimes by meeting growing demand for analysis of DNA samples and toxics testing. *\$5.1 million GF-State, \$800,000 other funds*

Improves justice information. Better links are made to the new Summary Offender Profile and other projects of the Washington Integrated Justice Information Board, so law enforcement, courts and corrections officers can quickly obtain state and local data.

\$684,000 Public Safety and Education Account

Mobilizes communities. Funding is increased for proven programs that bring communities together to reduce violence and drug abuse. These programs bring together neighborhoods, schools, police and others to steer children away from crime, to prevent crime in neighborhoods, and to respond to crime where and when it happens. *\$1.2 million Violence Reduction and Drug Enforcement Account*

Maintains crime victim compensation. This program's costs have risen because of increased claims for emergency and hospital treatment. The program is preserved and full funding is restored for forensic examinations for sexual assault victims. *\$36.8 million Public Safety and Education Account*

Provides more access to alcohol and drug treatment. Funding is provided to close the gap between treatment need and availability in the criminal justice system and communities. Funding for county drug courts and other treatment through the justice system is almost doubled. Savings in other health-related costs offsets funding for community-based treatment of those who cannot pay for it.

\$17.8 million GF-State, \$7.6 million Criminal Justice Treatment Account

The Governor's Priorities

1. Clean up pollution and toxics
2. Preserve our quality of life
3. Secure our water resources

Legislative Action

Fights pollution in Hood Canal. Moves to reverse low oxygen levels and nutrient flows, both of which kill aquatic life. The plan includes a \$1 million grant to design wastewater facilities to serve the area of the canal from Hoodsport to the Skokomish River, and a \$16 million grant for design and construction of a wastewater plant in Belfair. Grants to Mason, Jefferson and Kitsap counties help identify failing septic systems and develop a storm water plan for Belfair and Hoodsport. A \$1 million loan program helps homeowners correct failing septic systems. A new septic system is installed at Dosewallips State Park and pollution abatement ponds are provided for the Hoodsport hatchery.

\$20.4 million Capital Budget, \$800,000 other funds

Safeguards habitat and parks and prepares for the State Parks Centennial. Fish and wildlife habitat is protected and local parks supported through the Washington Wildlife and Recreation Program. Funds a Recreation Commission plan to improve existing parks with needed upgrades and renovation, as well as potentially add new parks to celebrate the state parks system's 100-year anniversary in 2013.

\$77 million Capital Budget

Combats global warming. Adopts most of California's tough emissions standards for new cars sold in Washington beginning with the 2009 model year to reduce greenhouse gas emissions that cause global warming.

Protects against oil spills. An independent citizen council is created to advise the Governor on prevention and clean up of spills. Funding is provided to implement the recommendations of the Oil Spill Early Action Task Force to improve response to spills. *\$2.1 million other funds*

Establishes the Columbia River Initiative, which is a first step towards adopting a new water storage management program to promote economic growth and community development goals, while improving the river ecosystem. *\$200,000 GF-State, \$16 million Capital Budget*

Cleans up toxics. A plan is launched to reduce persistent bioaccumulative toxics (PBTs) in the environment. New funding of \$42 million is provided to help clean up high-priority toxic sites. Also includes \$2.3 million to clean up contaminated soils at schools, \$2 million to reduce diesel toxics from buses, and \$3 million for small cities to meet storm water guidelines.

\$40 million Capital Budget, \$10.6 million other funds

Requires "green building" standards for new public buildings, including standards for energy efficiency and water conservation.

The Governor's Priorities

1. Create jobs for a better economy
2. Provide facilities to serve growing demand for higher education
3. Improve our quality of life

Legislative Action

Creates jobs through a Capital Budget of \$3.3 billion, which supports an average of 24,400 jobs directly and indirectly related to state construction projects over the next two years. Projects include much-needed new facilities for public schools, higher education, environmental protection, water storage management and community revitalization.

Spends \$617 million in K-12 school building projects that are expected to need state matching funds.

Invests \$429 million for projects at four-year universities. Among investments are University of Washington projects that add classroom space at Architecture Hall, improved space for engineering students at Guggenheim Hall, and modernized space for biomedical research at the H-Wing Health Sciences Complex. And – for Washington State University – a new Nursing Education Building in Spokane, and funding for projects at WSU Vancouver for its conversion to a four-year university.

Devotes \$461 million for 64 projects at community and technical colleges. Among investments are repairs ranging from new roofs to refurbished electrical and plumbing systems at 32 colleges, classroom construction at Green River Community College in Auburn and Bates Technical College, and at Everett, Walla Walla, South Puget Sound, Yakima Valley, Columbia Basin and Grays Harbor community colleges.

Protects fish and wildlife habitat and supports local parks through a \$50 million investment in the Washington Wildlife and Recreation Program. Also invests \$27 million to add new state parks – in recognition of the state parks system's 100-year anniversary in 2013.

Cleans up Hood Canal and establishes other water projects. Funds grants and loans to improve and construct wastewater systems, including one at Belfair, repair failing septic systems and plan for storm water control along the Canal. Improves water management through the Columbia River Initiative to fund water storage project studies and buy and conserve water for out-of-stream uses and fish. Supplements the Centennial Clean Water Fund with grants and loans for planning, design, acquisition and construction of water pollution control facilities and activities. *\$74 million*

Constructs a phase-one medium security prison with 1,280 beds at Coyote Ridge Corrections Center in Franklin County to confine a rising number of inmates. *\$179 million Capital Budget*

The Governor's Priorities

1. Change the culture of state government
2. Deliver services more efficiently
3. Reduce the magnitude and complexity of government systems

Executive and Legislative Action

Reduces middle management. Eliminates 1,000 middle managers from state payrolls and redirects the savings to direct delivery of state services to citizens. *Saves \$50 million*

Makes government more accountable. Authorizes performance audits of state government operations. Establishes the Government Management Accountability and Performance (GMAP) program to harness state computers to combine existing and new data to provide real-time information to determine what programs are working and what programs need change or elimination. Strengthens the Priorities of Government (POG) budgeting process.

Harnesses the state's buying power to buy smarter. State government makes purchases in bulk – and in a way that reduces the need for costly warehouse space and inventory control. *Saves \$50 million*

Eliminates programs – or parts of programs – that don't work. Eliminates, for example, parts of WorkFirst that are not effective to save \$20 million while keeping parts of the welfare-to-work program that are yielding results.

Respects employees. Modest pay raises are granted on July 1 to union-represented state employees, who have gone without cost-of-living adjustments (COLAs) for four years. The raises are in line with contract agreements bargained in good faith with state-worker unions. Non-union state and higher education employees receive the same COLAs effective September 1.

\$131 million GF-S and \$206 million other funds to fund salary increases, health insurance, and pensions

Reforms Washington's election system. Makes improvements in Washington's election laws to ensure accuracy and integrity in the voting process. Adopts several recommendations put forth by Governor Gregoire's election reform task force headed by Republican Secretary of State Sam Reed and former Democratic Senator Betti Sheldon.

Makes government more transparent. Requires government agencies to take steps to begin using "plain talk" in their written communications and instructions to make state government easier for individuals and businesses to understand and use.

The Governor's Priorities

1. Address Critical Safety Problems
2. Partner With Local Governments
3. Get Goods to Market Faster to Protect Economy

Legislative Action

Provides \$8.5 billion in new funding for transportation improvements over 16 years. Phases in a 9.5-cent increase in the gas tax over four years. One penny of the new tax – \$602 million – goes to cities and counties. Other transportation fees buy public transportation and rail improvements.

Moves to fix critical roads and bridges for the safety of motorists. Provides funding to earthquake-proof and preserve 180 bridges. Replaces the Alaskan Way Viaduct, relying in part on local government contributions. Starts work to replace the aging SR 520 bridge over Lake Washington. *\$2.9 billion*

Improves safety and commerce between Eastern and Western Washington. Adds lanes on Interstate 90 at Snoqualmie Pass to speed the flow of freight. *\$388 million*

Begins improvements to Columbia River crossing between Vancouver and Portland. *\$50 million*

Moves forward on North Spokane Corridor. Provides funding to buy land to build a freeway to improve travel north and south through Spokane. *\$152 million*

Relieves several freight mobility bottlenecks. Improvements speed up movement of products to markets. *\$127 million*

Reduces the number of accidents on state highways including rural roads. Corridors with the greatest number of accidents get safety improvements. *\$280 million*

Addressing chokepoints and congestion in the state highway system. HOV lanes are added, roads are widened, and interchanges are created or expanded. *\$1.3 billion*

Expands public transportation. Improves bus service and funds a new daily round trip Amtrak route between Seattle and Portland. *\$740 million*

Improves ferry system. Replaces a ferry, the Hyak, and makes improvements at three ferry terminals to move passengers and auto ferry customers more efficiently. *\$185 million*

Department of Transportation becomes a cabinet agency under the direct control of the governor.

Studies examine prospects for tolling and other alternative financing for major regional projects.